

Table 4.10.1 FEE GUIDELINE FOR A/E BASIC SERVICES

This guideline is offered only as an aid to state agencies in conducting negotiations to achieve an appropriate fee for basic professional services. Before using this Table, read the accompanying instructions in Section 4.10 of the State Engineer's Manual.

Use of this guideline is not mandatory. This guideline is not appropriate for use by the private sector or by political subdivisions (including, without limitation, counties, municipalities, and school districts). This guideline expires December 2, 2009.

Estimated Construction Cost	Projects <u>Below Average</u> Complexity	Projects of <u>Average</u> Complexity	Projects <u>Above Average</u> Complexity
Below \$500,000	negotiated	negotiated	negotiated
\$ 500,000	7.25%	8.25%	9.25%
\$ 750,000	7.00%	7.50%	8.50%
\$ 1,000,000	6.70%	7.20%	8.20%
\$ 1,500,000	6.50%	7.00%	8.00%
\$ 2,000,000	6.30%	6.80%	7.80%
\$ 3,000,000	6.00%	6.65%	7.60%
\$ 4,000,000	5.75%	6.40%	7.30%
\$10,000,000	5.50%	6.10%	7.00%
Over \$10,000,000	negotiated	negotiated	negotiated

- C. Adjustments upward or downward to the Guideline Schedule may be made by the agency when appropriate for the A/E's scope of work on a specific project, as determined by the agency. These adjustments should consider both the inherent design complexity of the building and the nature of the work (new construction or renovation).
1. Renovation work typically requires additional effort for both field investigation and analysis of existing structures, systems and equipment to determine its suitability for continued use or appropriate methods for removal or replacement. In particular,
 - (a) Renovation work typically requires an evaluation of the existing building for compliance with current building and life safety codes and the development of alternative design solutions.
 - (b) For all renovation projects, a preliminary seismic evaluation of the existing structure(s) shall be prepared and submitted with the Schematic Design documents for OSE review. See Chapter 5 for guidance on the requirements of a preliminary seismic evaluation.
 - (c) Compensation for field investigation effort, the building code analysis and the preliminary seismic evaluation are included in the fee.
- D. The actual contract for Basic Services payable to the A/E shall be either a negotiated Lump Sum amount or a percentage of the "construction cost" of the project.
1. The "construction cost" used for determining the A/E's fee shall not include the cost of change orders caused by the A/E's errors or omissions or for the cost of change orders that do not require the design services of the design consultant.
 2. In addition to the Basic Services Fee, the agency should negotiate allowances for any required Additional Services (those not covered by the scope of the Basic Services fee).
 3. When requested, the A/E shall provide documentation of the estimated labor hours and labor categories, labor rates, and deliverables proposed.